

**ANNEX II**

Effective with respect to goods of Chile, under the terms of general note 26 of the Harmonized Tariff Schedule of the United States (HTS), that are entered, or withdrawn from warehouse for consumption, on or after January 1, 2013, general note 26 to the HTS is modified as follows:

1. Tariff classification rule (TCR) 1 to chapter 3 is deleted and the following new TCR is inserted:

“1. A change to headings 0301 through 0308 from any other chapter.”

2. TCR 12 to chapter 29 is modified by deleting “2903.30” and inserting in lieu thereof “2903.39”.

3. TCR 7 to chapter 20 is deleted and the following new TCR is inserted:

“7. A change to subheadings 2009.41 through 2009.89 from any other chapter.”

4. TCR 13 to chapter 29 is deleted and the following new TCR is inserted:

“13. A change to subheadings 2903.71 through 2903.79 from any other subheading outside that group.”

5. TCRs 14 and 15 to chapter 29 are deleted and the following new TCR is inserted:

“14. A change to subheadings 2903.81 through 2904.99 from any other subheading, including another subheading within that group.”

6. TCR 43 to chapter 29 is deleted and the following new TCR is inserted:

“43. A change to subheading 2914.22 from any other subheading.”

7. The following new TCR for chapter 38 is inserted in numerical sequence :

“30. A change to heading 3826 from any other subheading within chapters 28 through 38, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

(A) 35 percent when the build-up method is used, or

(B) 45 percent when the build-down method is used.”

8. TCR 105 to chapter 84 is deleted.

9. TCR 19 to chapter 90 is deleted and the following new TCR is inserted:

- “19. (A) A change to subheadings 9007.10 through 9007.20 from any other heading; or
- (B) A change to subheadings 9007.10 through 9007.20 from any other subheading, including another subheading within that group, provided there is a regional value content of not less than:
- (1) 35 percent when the build-up method is used, or
- (2) 45 percent when the build-down method is used.”

10. TCR 21 to chapter 90 is deleted.

11. TCR 22 to chapter 90 is deleted and the following new TCR is inserted:

- “22. (A) A change to subheading 9008.50 from any other heading; or
- (B) A change to subheading 9008.50 from any other subheading, provided there is a regional value content of not less than:
- (1) 35 percent based on the build-up method or
- (2) 45 percent based on the build-down method.”

12. The following new heading rule is inserted to chapter 96 immediately below TCR 25 to such chapter:

**“Heading Rule 1:** For purposes of determining the origin of a good of this heading of materials other than of textile wadding, the rule applicable to that good shall only apply to the component that determines the tariff classification of the good and such component must satisfy the tariff change requirements set out in the rule for that good.”

13. The following new TCR to chapter 96 is inserted in numerical sequence:

- “26. (A) A change to sanitary towels (pads) and tampons and similar articles of textile wadding of heading 9619 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5307 through 5308 or 5310 through 5311 or chapters 54 through 55; or
- (B) A change to a good of textile materials other than of wadding, knitted or crocheted, of heading 9619 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5307 through 5308 or 5310 through 5311, chapter 54, or headings 5508 through 5516 or 6001 through 6006, provided that